

CHAPTER III

THE RAPE OF THE NATION

WE have seen that the settlement of America was but the final act in a drama, whose beginnings coincide with the dawn of Western civilization. Century by century the process of nation-building has repeated itself, even the details being the same. This has been true in the enclosure of the American West. The experiences of Rome, of feudal Europe, of England, and of Ireland have been reproduced in almost every line of our public land policy.

When the Federal Constitution was adopted the United States was the undisputed owner of almost all the land between the Alleghany Mountains and the Mississippi River. This territory formed the first public land of the nation. The Louisiana purchase added 1,182,000 square miles to this domain, which was confirmed as to the Oregon country by the explorations of Lewis and Clark. The acquisition of Florida increased the public lands by 54,000 square miles, while the Gadsden purchase, by means of which the southern part of Arizona was acquired, added 25,000 square miles more. Texas, with an area of 265,000 square miles, was annexed in 1845; but as this territory had been temporarily independ-

ent, its unoccupied lands did not become part of the public domain. Leaving out of consideration the recently acquired Pacific islands, the total area of the public domain of the United States amounted to 1,849,072,587 acres, or about 3,000,000 square miles. Its cost to the nation was four and seven-tenths cents an acre.¹ This land was the unencumbered possession of the people. America was the greatest landlord in the world.

No such opportunity was ever offered to any people. One cannot help dreaming of the America that might have been had this imperial domain been retained as the common possession of the nation. Had the government reserved the title, and leased the land under proper protection for improvements in such quantities and as increasing population required, involuntary poverty need never have appeared among us, while homes for unnumbered millions would still be waiting in the prairies to the west of the Mississippi River. Under such a policy there would have been no million-acre estates held for speculation and idle uses. The Pacific railroads would not have acquired a twelfth of the total public domain. Instead of a nation in which one-half of the people have no homes of their own there would have been ample abiding-places for many times our present number. For were America settled as densely as is France, there would be room

¹ *The Public Domain*, Donaldson, pp. 14, 21.

for 480,000,000 people instead of one-sixth that number. Were the population no denser than it is in Germany, there would be accommodation for 800,000,000 people. For the empire of Germany could be laid across the face of Texas and still leave unoccupied an area three times the size of Switzerland.

America could support five times its present population in far greater comfort than that now enjoyed by a large portion of the people, had the public lands been allotted only as the needs of the people demanded. For the resources of America surpass those of all Europe. Had the nation reserved the title of the land and leased it to users, the colossal fortunes that have been contributed to the owners of city and suburban sites would have remained in the hands of the people. The same is true of the mineral resources. Instead of enriching a handful of men, who control, but do not develop, the iron, the coal, the copper, the oil, and the natural gas deposits, these resources would have remained the common heritage of us all. By means of periodic revaluations of the rental value we could have dispensed with all other taxes and maintained ourselves in affluence out of the increasing rents and royalties of the public lands. The mineral deposits could have been leased to private operators, just as many of them are to-day by their owners, and worked under such conditions as the Government saw fit to impose.

Under such restrictions no billion-dollar monopolies would have been created, competition would have continued as in other lines of industry, while the recurring wars of capital and labor would have been forever impossible.

Had such a policy been pursued, opportunity would still exist for unborn generations. In such a nation there would be no landlords and no tenants. The tenement and the slum would never have appeared with the disease, poverty, and vice which they inevitably produce. Crime would have remained at a minimum, for crime is the product of poverty and the lack of opportunity to work. In such a society wages would have been determined by the will of the worker, for opportunity would still be calling in the unoccupied prairies of the public domain. Then labor would have the alternative to work for itself. And this is always the determining factor in the fixing of wages.

There is nothing extraordinary about such a policy. It is not even difficult of execution. The Government has adopted just such a method in dealing with the land of the Indian tribes of Oklahoma. It has probably not been carried out with any critical justice for the Indians and yet the returns from this source are colossal.¹

¹ The government has treated the Indians as its wards and leased their lands on a royalty basis. The Osage Indians number 2,230. Their reservation amounts to 1,470,000 acres. From this source, by means of grazing, oil and gas royalties, the selling of lots, and interest

But no such vision has guided our policy. To be quickly rid of our resources and on any terms has been a consuming passion with us. Human ingenuity could scarcely have devised a more wasteful policy than that which has been pursued. This was especially true during the decade which followed the Civil War. No demand on the part of the interests powerful in Congress was too extravagant to receive attention. It is estimated that up to the year 1890, 337,740,080 acres of the public lands were granted to corporations and states for wagon roads, canals, river improvements, and railroads.¹ This is an empire equal to one-sixth of

on funds, the income of the tribe for the fiscal year 1907 amounted to \$1,351,577.66, or \$606 for every man, woman, and child in the tribe. This is equivalent to nearly \$3,000 a family. The royalty on the oil-wells is one-eighth of all the oil produced. The royalty on gas is \$100 per annum for each gas-well in operation. The land belonging to the tribe is leased for a limited period subject to re-appraisal. A similar policy has been adopted as to other tribes. During the fiscal year 1907, the government collected for the Choctaw and Chickasaw Indians the sum of \$652,875, from coal and other royalties, and from the selling of town lots. The royalties and other collections for the Cherokee nation amounted to \$731,315.60, and for the Creek nation the sum of \$237,245.99. In ten years' time, the coal and asphalt royalties of the Choctaw and Chickasaw nations amounted to \$1,975,972.62. The total enrolled population of the Choctaw, Chickasaw, and Cherokee and Creek Indians was 98,000 and the amount which they received from the administration of their estates by the government in the form of ground-rent for the year 1907 amounted to \$150 for every family of five in the reservation. See annual reports of the Secretary of the Interior.

¹"The Populist Movement," by F. L. McVey, *Economic Studies* (American Economic Association), Vol. I, p. 153. A large part of these grants, however, was never actually patented by the grantees.

the total area of the United States, including mountain and desert lands as well as the territory of Alaska. It is an area ten times the size of Iowa, and three times the size of France, with its population of 39,000,000 souls.

A carnival of prodigality attended the construction of the Pacific railways. They took what they wanted of the public domain. In addition to a right of way across the continent of from 100 to 400 feet wide, with such land as was needed for sidings, stations, yards, and the like, a subsidy of every alternate section of one square mile each on either side of the right of way was added as an aid to construction. The subsidy to the Northern Pacific Railway consisted of alternate odd-numbered sections to the amount of twenty alternate sections per mile on each side of the road where the line passed through the territories, and ten alternate sections per mile on each side where it passed through the states, extending from the western boundary of Minnesota to Puget Sound and the Columbia River.

It is difficult to tell the amount of land that was authorized by these grants. It is even more difficult to ascertain the amount that was actually patented by the railways. The land originally granted has been estimated at 215,000,000 acres. The official estimate of the Government Land Office is somewhat less. It reports the grants at 155,514,-

994,000¹ acres, and the area actually patented by the railroads as 73,942,260 acres. This does not include 38,000,000 acres granted to the railways by the state of Texas.

But the land grants were not the only help which the railroads received. A loan of \$60,000,000 was made to the Pacific railroads as an additional aid to their construction. This, of itself, would have built over 2,000 miles of railway across the continent. It would have saved a great portion of the West from railway monopoly forever and have furnished a standard by which rates and services for the rest of the country could have been measured.²

Scandals of many kinds arose through the dealings of the Pacific railways with Congress. These are the dangers always alleged to be incident to government ownership. Yet we are in a position to make a comparison of the relations of the government with the Pacific railways with its experience in the construc-

¹ *The Public Domain*, Donaldson, p. 268.

E. Benjamin Andrews, in *The United States in Our Own Times*, chap. 4, gives the land grants to the six Pacific railroads as follows:

Union Pacific Railroad	13,000,100 acres
Central " "	12,100,100 "
Northern " "	47,000,000 "
Kansas " "	6,000,000 "
Atlantic and Pacific Railroad	42,000,000 "
Southern Pacific Railroad	9,520,000 "

129,620,200 acres

² "The Secretary of Interior stated: 'The entire road (the Northern Pacific) when completed, 2,700 miles, will have cost about \$75,000,000 or at the rate of \$28,000 a mile.'"—*The Public Domain*, p. 887.

tion of the Panama Canal, which is being built by the nation itself.

There has been no scandal, no bribery, no control of political parties in connection with the latter enterprise, for there is no great interest to corrupt the government. But the Pacific railways were given land enough alone to more than pay the cost of their construction. According to conservative estimates the grants of the Northern Pacific Railway alone were worth a thousand million dollars.¹ Had the land been sold by the government to settlers, who later purchased it from the railroads, five and possibly ten transcontinental railways could have been built from the proceeds of this grant. But this is only the initial loss. Ever since the grants

¹"Mr. Wilson, for many years the Commissioner of the Land Department of the Illinois Central Railroad, . . . thought that if properly managed the Northern Pacific land would build the entire road connecting the then terminus of the Grand Trunk through to Puget Sound, the head of navigation on the Columbia, fit out an entire fleet of sailing vessels and steamers for the China, East India, and coasting trade, and leave a surplus that would roll up to millions. He deemed the probable value of the grant \$990,000,000, its possible value \$1,320,000,000."—*The United States in Our Own Times*, E. Benjamin Andrews, chap. 4.

If this estimate of the value of the Northern Pacific land grants is anywhere near correct and the cost of its building was not in excess of \$75,000,000, as estimated by the Secretary of the Interior, ten transcontinental systems could have been built out of the sale of the lands and still leave a surplus. The Union Pacific Railroad received an average of \$4.42 per acre for its land up to 1879. At this price the Northern Pacific would have received \$207,740,000, or enough to have built three systems.

An exhaustive investigation of this grant was made by a committee of Congress, which reported that the entire cost of the North-

were made the government has been honeycombed with the corrupting influences which have grown out of the relationship. For years the Land Department has been struggling to recover millions of acres of agricultural, grazing, mineral, and timber lands, which have been fraudulently enclosed, in addition to the grants which the railways rightfully enjoy. The states of the West and the Federal employees have been corrupted by the same influences, while the whole nation is struggling under fictitious railway capitalization, inadequate trackage, insufficient shipping facilities, and excessive charges. Had Congress constructed the roads itself, had the nation been plundered by the most corrupt of contractors, it would still have received an immeasurably greater return than it has enjoyed under the policy which was pursued.

At the time these subsidies were granted public opinion was quieted by the assertion that only by

ern Pacific had been paid for out of the land grants, estimating the land as only worth \$3.00 an acre, and that a surplus of \$41,284,000 remained for the company. The committee said in its report to Congress: "The undersigned suppose that all that could be asked of the government in the exercise of the most prodigal generosity would be a sufficient amount of lands to enable the company to construct its road without costing it a single dollar of its own money, and as either of the foregoing hypotheses shows a surplus of many millions more than are necessary for that purpose it has occurred to them that it might be to the interest of the people of the United States generally to look somewhat after the surplus, whatever it may be. . . . There are no good reasons yet apparent why the people should pay the cost of its construction and present the company with a colossal fortune besides."—*The Public Domain*, Donaldson, p. 889.

these means would the West be peopled, and that through this settlement the remaining land would be greatly increased in value. To some extent this has been true. The railways were built some years earlier than they otherwise would have been. And land values were increased in consequence. But the price has been a fearfully costly one. Large parts of the West have been strangled in consequence. Millions of acres are still held by the railroads for speculative purposes, while great manorial estates, with hired men and a tenant class, are to be found wherever the railway grants were made. Out of these subsidies the bonanza farms of ten, twenty, one hundred thousand, and even a million acres have been carved. Many of these great feudatories cover whole counties. Some of them are larger than an Eastern state.¹

Land-grabbers and ranchmen followed close behind the railways and appropriated great tracts of land

¹As instances of the great estates which are to be found in almost every state of the West, many of which were made possible by the railway land grants, the following may be cited: "The Texas Land Syndicate No. 3 owns 3,000,000 acres in Texas, in which such English noblemen as the Duke of Rutland and Lord Beresford are largely interested. Another syndicate, the British Land Company, owns 300,000 acres in Kansas, besides tracts in other places. The Duke of Sutherland owns hundreds of thousands and Sir Edward Reid controls 1,000,000 acres in Florida. A syndicate containing Lady Gordon and the Marquis of Dalhousie controls 2,000,000 acres in Mississippi."—*The Menace of Privilege*, by Henry George, Jr., p. 36.

In addition to these the Marquis of Tweeddale owns 1,750,000 acres, Phillips, Marshall & Co. (London), 1,300,000 acres, the Scully estate 2,000,000 acres, the Holland Land Co. 4,500,000 acres,

from which they refuse to be dislodged. The railroads themselves have kept great areas out of use. The alternate sections, checker-boarded within the limits of the railway grants, have been fenced in. Actual settlers are denied access to them. By virtue of the lieu land laws, the railways are permitted to substitute new sections for those which the government has reserved for schools, forests, and other purposes. This power is used to cloud titles. By means of it mineral claims, developed by honest prospectors, are appropriated under some claim of title, and men who have spent their lives in the development of a property are forcibly ejected from their holdings, or exhausted by the delays and expenses of protracted legal controversies. By these and similar means whole commonwealths are arrested in their development; titles of property are rendered insecure, and great areas of land are closed to occupancy.

The history of the relation of the government to the Pacific railways has been one of stupendous folly. It has been one of the most costly experiences of the nation. The financial cost of the Civil War does not compare with the loss involved in our land policy. Not only were the railway grants capable of sustaining from ten to twenty million people in comfort; not only were the forest and mineral resources bar-

and a German syndicate 1,100,000 acres. Fifty-four individuals and foreign syndicates own 26,710,390 acres, an area greater than seven of the more populous Eastern states with a population of 8,359,000 people.

tered away in the process, but the entire West was so involved—politically, socially, and industrially—that it has remained as a vast feudatory to the Pacific railway systems. Its politics reflect the interests which control the railways, the land grants, and the resources of the country. In Congress and at home these interests struggle to stifle every expression of real democracy.

But the tale of our wastefulness does not end with the railway land grants. Probably an even greater area has been stolen by persons and corporations in conspiracy with the railways or the agents of the government. The extent of these fraudulent enclosures will probably never be known. In a recent issue of a popular magazine is a story of a poor German who landed in this country in 1850; of how he became the owner of 14,539,000 acres of the richest land in California and Oregon. His enclosures cover 22,500 square miles, an area three times as great as the state of New Jersey with its population of 1,500,000 souls. The story tells how one hundred men in the Sacramento Valley came to own 17,000,000 acres; of ranches of eight, twenty, and even one hundred miles in extent; of single estates twice the size of Belgium, bigger than all Switzerland, bigger even than the combined areas of New Hampshire, Massachusetts, Connecticut, and Delaware.¹ Other investigations

¹ *Everybody's Magazine*, May, 1905.

indicate that more than 150,000,000 acres have been illegally or collusively appropriated from the public domain.¹

It is probable that from 250,000,000 to 350,000,000 acres of the public domain have been granted to the Pacific railways or illegally appropriated by persons and corporations in conspiracy with the agents of the government. We have no complete data on the subject, but the investigations made during the administration of President Roosevelt, as well as the disclosures in the federal courts, indicate that a large part of the best land of the nation has been acquired by dishonest means. The homestead entries covering a period of forty years amount to but 111,000,000 acres. The timber, stone, desert land, lumber

¹ An exhaustive study has been made of these operations by Mr. William R. Lighton, of Omaha, Neb., and published in the *Boston Transcript*. He says:

“Within the last fifteen years there has been stolen from the public domain not less than 150,000,000 acres; an area that would make thirty states of the size of Massachusetts, five states as large as New York, or three states as large as Kansas. When the truth is known—as it may be by and by—these figures will doubtless be doubled, trebled, or quadrupled. The present statement is one justified by present knowledge. A recent grand-jury investigation in California, backed up by other official inquiry, disclosed that one man alone in that state holds the title to nearly 15,000,000 acres, acquired within the time named by the flagrant processes of theft. There are dozens and even scores of men whose stealings will run from 10,000 to 1,000,000 acres or more, the extent of their grabs depending principally upon their ability to swing transactions to a successful issue.

“No reference is made to the solemn, semi-official chicanery of the railroad land grants or to the equally bald grants in the South-west, glossing over earlier pilferings. Those deals appear by comparison

culture, and coal land entries amount to but 51,000,000 acres more; 168,000,000 acres have been withdrawn by the government as forest preserves, while over 700,000,000 acres of mountain and desert lands (one-half of which are in Alaska) still remain unsurveyed. The grand total of lands accounted for by legal entry, authorized grants, or reservations falls short of the total lands of the nation by many hundreds of millions of acres. By a process of elimination it should be possible to ascertain how much of the public domain had been fraudulently appropriated. But no such inventory of our national assets has ever been taken.

By the processes indicated, America has been despoiled of an empire greater than the combined areas of the thirteen original states. Yet it has excited but momentary activity on the part of the gov-

impeccably honest and above reproach. This charge relates only to such downright, outright, deliberate stealings as cannot be described by any other name, bearing no stamp of formal official approval.

“Wherever there is a body of public land large enough to make a bait worth swallowing, there the thefts are going on. Lands of every description are included. Millions of acres in the rich wheat valleys of California have been stolen; millions of acres of grazing lands on the plains of Kansas, Nebraska, Dakota, Wyoming, and Montana have been stolen, not to mention the earlier stealings in the now almost devastated timber regions of Michigan, Wisconsin, and Minnesota; and now the lumber thieves are plying their shameless trade unhindered in the new fields of Mississippi and other undeveloped districts of the South; unnumbered acres of mineral land have been stolen—in fact, nothing worth stealing has escaped the clutch of these bold outlaws.” See issues of *Boston Transcript* of May 20 and 27, June 3, 10, 17, and 24, and July 1, 1905.

ernment and aroused only isolated protests on the part of the press. Had some foreign power laid its hands upon one of the most worthless of our Pacific islets, the nation would have burst forth into a demand for war with all of its devastating cost in life and treasure.

It may be suggested that the reports to which reference has been made are the unscientific investigations of magazine writers. But official documents show conclusively the growth of land monopoly and the questionable methods employed to acquire possession of the public domain.

The Public Lands Commission, appointed by President Roosevelt, after an exhaustive inquiry, says:

“Detailed study of the practical operation of the present land laws shows that their tendency far too often is to bring about land monopoly rather than to multiply small holdings by actual settlers.

“. . . Not infrequently their effect is to put a premium on perjury and dishonest methods in the acquisition of land. It is apparent, in consequence, that in very many localities, *and perhaps in general, a larger proportion of the public land is passing into the hands of speculators than into those of actual settlers who are making homes. . . . Nearly everywhere the large land-owner has succeeded in monopolizing the best tracts, whether of timber or agricultural land. . . .* Your commission has had inquiries made as to how a number of estates selected haphazard have been acquired. *Almost without exception collusion or evasion of the letter and spirit of the laws was involved.* It is not necessarily to be inferred that the present

owners of these estates were dishonest, but the fact remains that their holdings were acquired or consolidated by practices which cannot be defended.”¹

The growth of land monopoly and the proportions which it has already attained are confirmed beyond any question by the United States Census. These statistics tell a story quite as convincing as the more dramatic reporting of contemporary literature. From the Census returns of 1900 it appears that of the 841,000,000 acres of land under cultivation in the United States, 200,000,000 acres are in farms whose average size is 4,230 acres. These farms are owned by 47,276 persons. One-fourth of the total acreage of America is owned by .0006 of the population. The area so owned is considerably greater than the combined area of Germany and Great Britain. These nations support a population of 100,000,000 souls. Yet here in America a quarter of the cultivated land is owned by a handful of persons, whose total number is less than that of a good-sized suburb of an Eastern city.

So far as future generations are concerned, it is a matter of indifference whether these colossal holdings were obtained by fraud or by honest means. Monopoly is as oppressive in one instance as in the other. However they may have been acquired, the opportunity to make provision for the future has passed from us. This is a fact of portentous sig-

¹ Senate Document No. 154, 58th Congress, 3d Session, p. 14.

nificance. For man is a land animal. Upon the land all life depends. From it humanity draws its strength just as did the mythological Antæus. Everything that man consumes comes from the land. And the tribute which must now be paid by those who toil to those who own the land is determined by the law of demand and supply, population ever increasing, land ever constant and limited in amount.